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HOUSE BILL 722 By
Brooks

SENATE BILL 952
By Burchett

AN ACT relative to minority affairs and to amend Tennessee Code
Annotated.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 39-14-137, is amended by deleting the section in its entirety and by substituting instead the following:

(a) No person shall knowingly commit or engage in any false or fraudulent conduct, representation or practice in order to qualify, or assist another to qualify, for participation in any program administered by or through an agency of state or local government intended to specifically encourage and enhance economic development of any one or more of the following:

- (1) Disadvantaged businesses, as described by § 4-26-102(6);
- (2) Small businesses, as described by § 12-3-802(4);
- (3) Minority-owned businesses, as described by § 12-3-802(3); or
- (4) Disadvantaged business concerns and enterprises, as described by or pursuant to § 54-1-124.

(b) A violation of subsection (a) constitutes a Class E felony punishable by fine only, to be assessed in an amount not to exceed twenty-five thousand dollars (\$25,000).

(c) Any contract entered into as a direct result of a violation of subsection (a) shall be null and void and the court shall order repayment of all governmental funds paid pursuant thereto which may be reasonably construed as constituting net profit or personal enrichment for the guilty party or parties. Repayment of funds pursuant to this subsection shall be in addition to payment of the fine imposed pursuant to subsection (b).

SECTION 2. The provisions of this act are declared to be remedial in nature and the provisions of this act shall be liberally construed to effectuate its purposes.

SECTION 3. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 4. This act shall take effect July 1, 2001, the public welfare requiring it.